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REMARKS

The Applicant thanks the Examiner for a careful review of the application and the prior art.

The Action mailed 3/23/2006 asserted in pertinent part the following points, each of which is attended to by this Amendment as discussed below:

(1) Claims 1-20 were rejected under 35 U.S.C. 103(a) as allegedly unpatentable over Brewer et al. ("Brewer") (2001/0047299) in view of Solomon et al. ("Solomon") (6,847,935).

(2) The Applicant acknowledges the citation of Schulze (2002/0055875) and Postrel (2004/0098317). These citations are not considered to detract from the patentability of the claims.

No new matter has been added, and supported for the amended claims is present in the application as filed.

The Claimed Invention

The independent claims are amended as follows herein, using amended claim 1 as an example:

A system for managing commerce comprising:

an interface for sending and receiving data to and from the Internet;

means for storing data representative of a seller, a distributor and a purchaser, the means for storing data representative of a seller, a distributor and a purchaser comprising means for storing data representative of contractual relationships between a seller, a distributor and a purchaser;

means for storing data representative of a product available from the seller;

means for storing data representative of a contract between the seller and the purchaser;

means for storing data representative of a purchase of the product by the purchaser from the seller;

means for storing data representative of a shipment of the product from the distributor to the purchaser;

means for determining a rebate due to the purchaser from the seller;

means for transferring a payment, for goods purchased, received from the purchaser to the seller at least in part via the Internet; and

means for determining a chargeback payment due from the manufacturer to the distributor, and for storing data representative of chargeback payments therebetween, wherein the seller, the distributor and the purchaser access the system using the Internet.

The claimed invention, assigned to and commercially employed by I-many, Inc., of Edison, New Jersey, is directed to a commerce exchange system and method that manages contracts between

manufacturers, distributors, and purchasers (i.e., a 3-entity commercial chain), and is accessible by all of the contracting parties over the Internet. Group purchasing organizations can access the system to place orders for distribution to various end users. The invention stores data representing information regarding all of the parties in the contracting process, stores data describing all of the products and services available from the seller. Thus, among other aspects, which will be shown below to be absent from and not suggested by the cited Brewer and Solomon publications, the claimed invention:

- 1) includes storage and processing of the relationship between manufacturer and distributor in a 3-entity commercial chain of manufacturer, distributor and purchaser, not merely a 2-entity commercial chain,
- 2) includes awareness of chargeback processing between manufacturer and distributor, and
- 3) includes handling of purchase payments via the Internet.

As discussed in greater detail below, the totality of claimed features of the 3-entity chain including the distributor (and similarly the 4-entity chain in claims 6 and 16), particularly when combined with chargeback processing, and handling of purchase payments via the Internet, is neither taught nor suggested by Brewer or Solomon, taken separately or in combination.

Comparison With/Differences Over Brewer and Solomon

Brewer: Brewer is directed to a method of analyzing compliance of a party with a contract and/or potential rebate opportunities. Brewer gives the examples of a drug rebate program, in which a manufacturer may award rebates for utilization of a predetermined amount of a drug, either in absolute terms or in terms of a market share, and Brewer's disclosure is focused on rebate calculation and rebate payment in a 2-entity chain.

Brewer states, at paragraph [32] of the published application: "According to the present invention, sales agreements (e.g., in the hospital customer segment) may be negotiated to have a discount component called a rebate that is premised upon the performances of the contract holder (hereinafter 'the participant,' even for hierarchical aggregates) in achieving the targeted goals of the contract agreement. The rebate earned is generally measured by the growth in a product market share and is computed against the contract sales (e.g., as determined by the chargebacks data as submitted by a customer (e.g., direct customers or wholesalers). Rebate payment is a cyclical process and is scheduled on a periodic (e.g., a semi-annual or annual basis) as detailed in the contract."

3-Entity Commercial Chain: However, Brewer shows no awareness of storing and processing contract information for a 3-entity commercial chain including manufacturer and distributor in the manner explicitly required by amended claims 1 and 11 (and as discussed below, the 4-entity chain of

amended claims 6 and 16). By way of example, as the Office Action notes at page 3 thereof, "Brewer does not explicitly disclose shipment of the product from the distributor to the purchaser."

The Office Action asserts that "Brewer discloses that the user purchases and receives the product (Fig. 7, FIG. 8, Fig. 10, Fig. 18)", but even if Brewer teaches that the user purchases the product, that is not a teaching of the 3-entity chain required by the present claims 1 and 11, nor is it a suggestion of the complete combination of features required by the claim as they pertain to a 3-entity chain (or similarly, of the 4-entity chain of amended claims 6 and 16).

Chargeback Processing: The differences over the prior art that flow from the 3-entity chain are further highlighted in that Brewer contains no teaching or suggestion that the system maintains awareness of chargeback processing between manufacturer and distributor in the manner claimed. As the Action notes at page 4, "Brewer does not explicitly disclose determining a chargeback payment due from the manufacturer to the distributor." Brewer does not disclose such either explicitly or implicitly. The Action cites paragraph 32 of Brewer as allegedly showing a means for determining a chargeback; and Brewer discusses the notion of chargebacks at paragraphs 32, 69 and 83 of the published application, but there is no statement or suggestion that the system maintains awareness of chargeback processing between manufacturer and distributor as claimed. While sellers of goods can be manufacturers, that does not create in Brewer chargeback processing in the manner claimed within a 3-entity chain, given the contractual relationships and claimed features that flow from the 3-entity chain of claims 1 and 11.

Purchase Payments: In addition, Brewer teaches no handling, via the Internet-based system, of payments for goods purchased in the manner required by the amended claims in combination with the other claimed features. The Office Action, at page 3, cites paragraphs 83 and 32 of the published Brewer application as disclosing the claimed means for transferring a payment received from the purchaser to the seller, but there is no indication in either paragraph 32 (see above) or 83 of handling purchase payments from buyer to seller, as required by the amended claims. Paragraph 83 states that "[i]n one embodiment, the information is procured monthly and not shared with the client until it is the time to calculate and pay a rebate"; but this is not a purchase payment, and that discussion is directed to handling of rebates, not purchase payments.

Solomon: Solomon is directed to a system for computer-aided processing of a rebate on a product. The system includes a rebate processing center communicating over a network with a manufacturer, a distributor, and a consumer. The rebate processing center maintains a promotion table and a transaction table in order to facilitate processing of product rebates and to offer the consumer a choice of disbursement options. However, the differences noted above between Brewer and the amended claims apply at least as directly to Solomon as well. Solomon, including the cited portions

(e.g., column 14, line 65 – column 15, line 12), does not teach or suggest a combination of claimed features including: (1) means for storing data representative of a seller, a distributor and a purchaser comprising means for storing data representative of contractual relationships between a seller, a distributor and a purchaser; (2) means for transferring a payment, for goods purchased, received from the purchaser to the seller at least in part via the Internet; and (3) means for determining a chargeback payment due from the manufacturer to the distributor, and for storing data representative of chargeback payments therebetween. Thus Solomon, even if added to Brewer, does not bridge the gap between Brewer and the claims, and neither Brewer nor Solomon, separately or in combination, teaches or suggests the totality of features required by the amended independent claims.

In the absence of hindsight reconstruction, nothing in Brewer or Solomon, taken separately or in combination, teaches or suggests the entire combination of features required by the amended claims, when those claims are read as a whole, as each should be.

Amended method claim 11 is respectfully submitted to be patentable over the prior art for at least the reasons discussed above in connection with amended claim 1. Amended system claim 6 and amended method claim 16 are respectfully submitted to be patentable over the prior art for at least the reasons discussed above in connection with amended claims 1 and 11, with the additional differentiator of a 4-entity commercial chain including a group purchasing organization. While Brewer appears to contain exactly two recitations of a “buying group” at paragraphs 64 and 66 of the published Brewer application, there is no teaching or suggestion of the entirety of claimed features of amended claims 6 and 16, including the claim recitations that flow from the 4-entity commercial chain thereof.

In summary, neither Brewer nor Solomon, separately or in combination, teach or suggest the subject matter of the amended claims. Accordingly, reconsideration and withdrawal of the stated grounds of rejection, and allowance of the claims, are respectfully requested.

Commercial Success: As further evidence of non-obviousness, there is commercial success directly attributable to the claimed invention, as well as the understanding that the Assignee's competitors appear to be moving into this area of technology and may well attempt to introduce systems to which the present claims may apply.

I-many, Inc., founded in 1989, is recognized by Global 2000 companies, research and industry analysts and business and technology media around the world as a leader in contract and transaction compliance management solutions, including in the use of the claimed invention. I-many has enjoyed great commercial success, with annual revenues of approximately thirty million dollars (\$30,000,000), which is at least in part a direct result of the utility, value and technological advantages provided by the claimed invention, which helps optimize contract processes, ensure transaction compliance and

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track contract performance across the 3-entity commercial chain of manufacturer, distributor and purchaser, not merely a 2-entity commercial chain.

Conclusions

This Amendment attends to each point raised in the pending USPTO Action. The Applicant considers that the amended claims distinguish patentably over the art of record, and the Examiner is respectfully requested to allow the claims.

Please charge any claims fees or other amendment fees required hereby to Jacobs & Kim Deposit Account 503243. If there are any questions, the Examiner is cordially invited to contact the undersigned by telephone, fax or email as noted below.

Respectfully submitted,



David A. Jacobs, Attorney for Applicant
Reg. No. 31,770
JACOBS & KIM LLP
(USPTO Customer No. 45464)
1050 Winter Street, Suite 1000
Waltham, MA 02451
Tel.: 617-202-9272, Fax.: 617-812-3074
Email: daj@jklp.com

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